

# **EXHIBIT 10 (Part 5 of 5)**

**FILED UNDER SEAL**

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## Current sales partner ranking meaning

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**Growth Partners**

Positive organic growth  
Market share below  
division average

**Star Partners**

Positive organic growth  
Market share above  
division average

**Market Loss Partners**

Negative organic growth  
Market share below  
division average

**Market Share Partners**

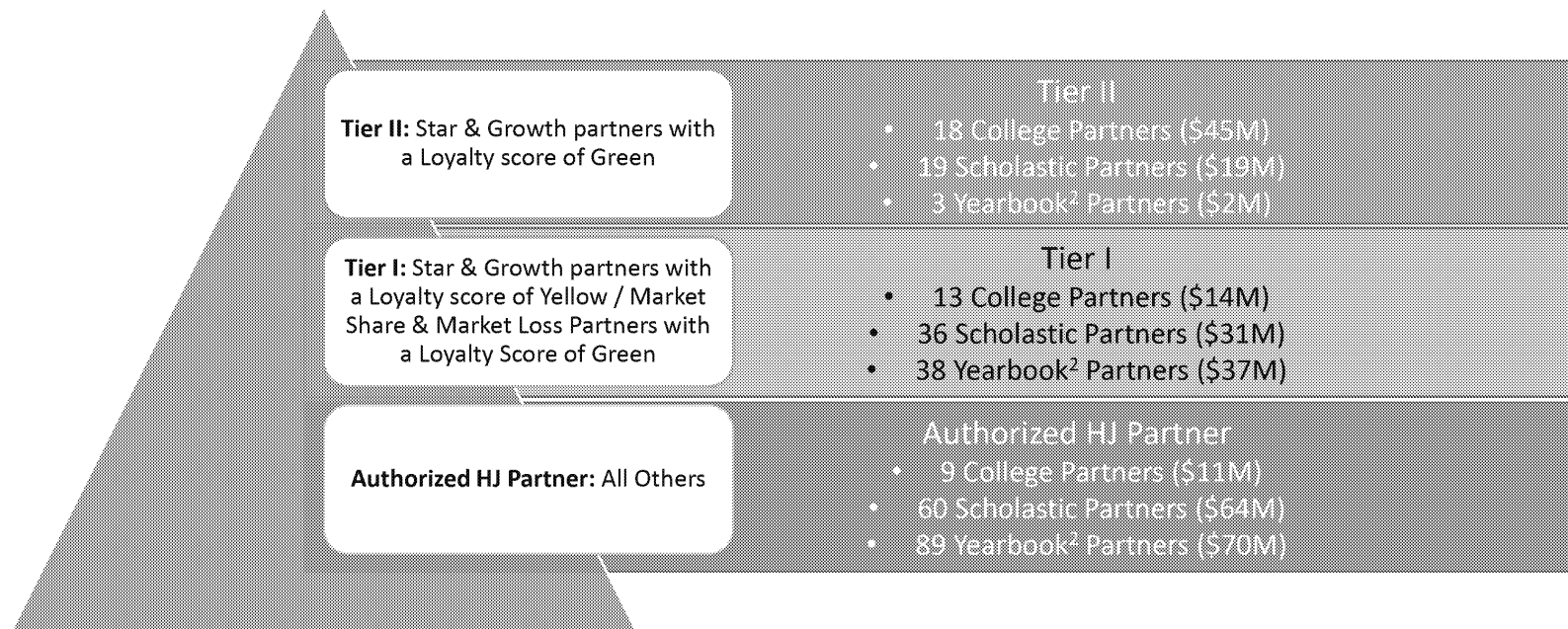
Negative organic growth  
Market share above  
division average



## Sales partner performance measurement: Tiers

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Using the performance measurement breakdown we are able to put our Sales Partners into Tiers based upon Sales Performance, Loyalty and Future proofing<sup>1</sup>



1. Future proofing score under development

2. YB based on a composite partnership ratings of Just Grow, Achievement, D5/IMPACT, OD/Tenure, Plant Incentive, & Succession Plan



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# Sales partner performance measurement: Path forward

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	Where we are today	1/1 Goal	7/1 Goal
Achievements	<p><b>Sales partner ratings for all three divisions based on the same set of metrics:</b></p> <ul style="list-style-type: none"> <li>• 3 Year organic growth</li> <li>• Market share</li> <li>• Loyalty<sup>1</sup></li> </ul> <p>Analysis done on population on available geography density and the value of having an associate</p>	<p>Where we are today plus additional functionality</p> <ul style="list-style-type: none"> <li>• School renewal metrics</li> <li>• Dynamic dashboard accessible to GMs and ASMs</li> <li>• Specific recommendations for what a "Top Tier" partner is</li> <li>• Income analysis</li> </ul>	<p>1/1 Goal plus additional functionality</p> <ul style="list-style-type: none"> <li>• Product analysis</li> <li>• School penetration level (Same-school sales)</li> <li>• Semi-automated system that updated on a quarterly basis</li> <li>• Market share based on specific Schedule B schools</li> </ul>
Limitations	<ul style="list-style-type: none"> <li>• Market share based on geography vs. schedule B specific</li> <li>• Products not separated out</li> <li>• Same school sales and penetration not broken out</li> <li>• Semi-manual process to update</li> </ul>	<ul style="list-style-type: none"> <li>• Market share based on geography vs. schedule B specific</li> <li>• Products not separated out</li> <li>• Same school sales and penetration not broken out</li> </ul>	

1. Loyalty for each division based on a different qualitative metric due to difference in market and sales process, College uses Licensing compliance, Scholastic uses Schedule A adherence, and Yearbook uses a composite score





## Agenda

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- Simplify
- Perfect Delivery
- ST6
- Sales Performance Measurement
- **Buyouts, Deferral, and Overdraft analysis**
- Product Development Journey

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## Feedback from the Enterprise Partner Council regarding Buyouts

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**What we asked:****What we heard:**

What they like?



2 Year transition guarantee

Incentives for incoming sales partners to grow  
Herff Jones Guarantee

What works?

College sales partners do not want any changes  
Herff being the Bank

What does not work?



Partners quit after 2 years

Lack of Succession planning and training

Believe there should be qualifications

-5yr based on growth not service

-Lifetime sale vs annual volume



## Our path forward

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1. **“Management Discretion” will be applied for 5 year buyout application**
2. Assess partners using Sales Partner Performance Measurement definitions:
  1. Growth
  2. Market Share
  3. Loyalty
  4. Future Proofing
3. 5 year reserved for **Tier II** partners

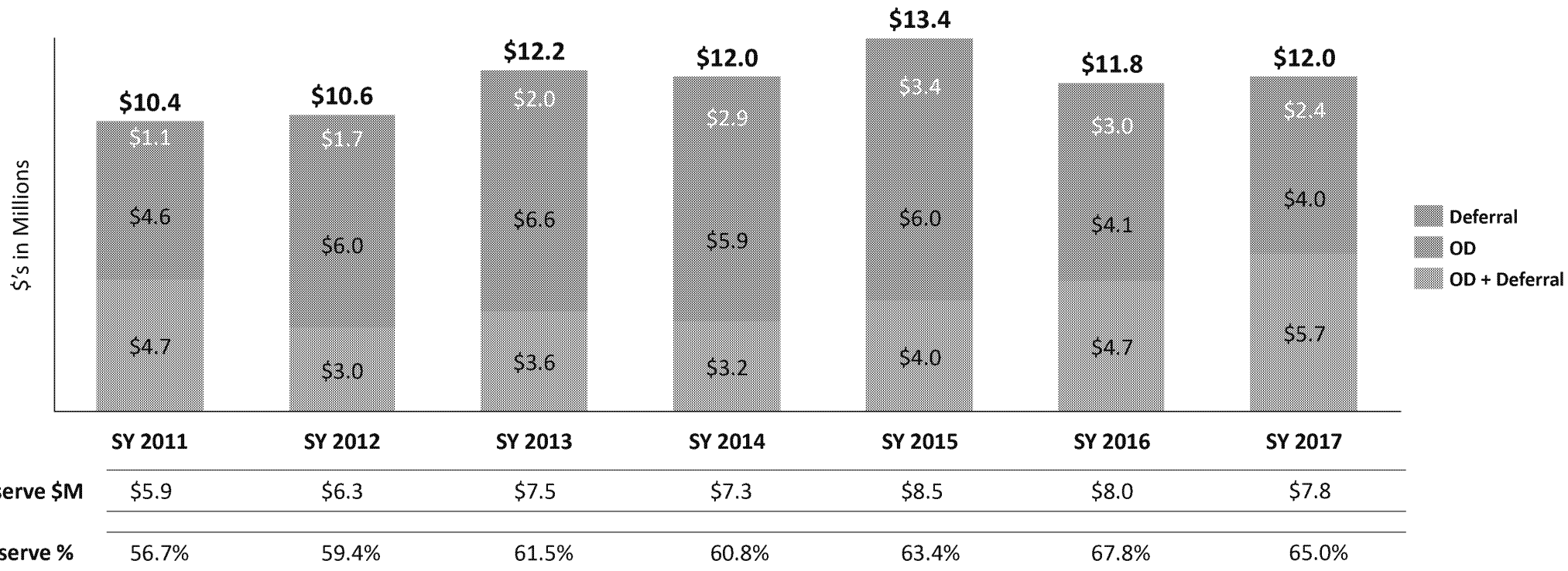


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OD/Deferral Exposure has been consistent for the past 5 years  
In Scholastic

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### Scholastic Exposure



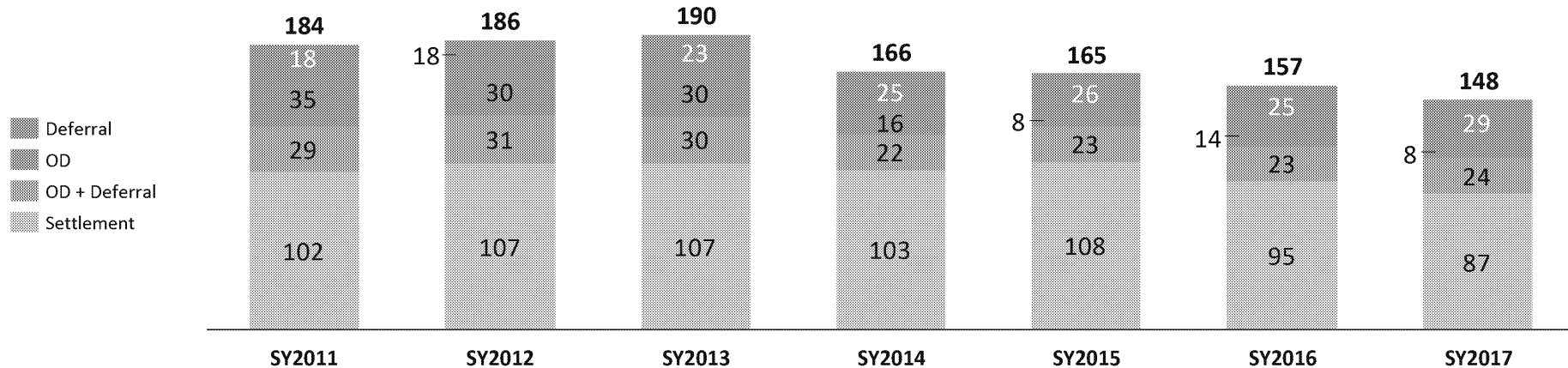




## Scholastic: Active Sales Partner Settlement Status Trend

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### # of Active Sales Partners



### Key Observations:

- 78% of Sales Partners in Settlement/Deferral Only at end of school year 2017
  - Ranged from 65% - 81% in prior years, 2<sup>nd</sup> highest in 7 years
  - Indicates territories may be getting healthier, likely the result of territory consolidation.
- OD + Deferral Sales Partners present the greatest risk and opportunity
  - If the Territory is not viable then the debt will never be collected in full. Sales Partner Assessment is key to mitigating this risk.
  - Strengthening these territories could result in significant P&L savings – up to \$4.8MM.
- Overdraft (OD) Sales Partners present moderate risk
  - Often associated with new or “scratch” territories. An expected risk associated with starting a new book of business.

25



## Agenda

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- Simplify
- Perfect Delivery
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- Sales Performance Measurement
- Buyouts, Deferral, and Overdraft analysis
- **Product Development Journey**



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# We are in the process of setting up a product development organization and strategy

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## Previous State

## Actions taken

## Path forward

1

### Product Development

Minimal product development and only at plant level

Marketing developed product only as reaction to sales partner requests

No input from customers

Selected path forward as a "Solution Builder" model, with the goal to input the customer from the beginning

Launching two projects in March with MBA students from IU and U of M to understand what the College and HS customers want

Engage our top and most sophisticated consumers for feedback

Engage our consumers early in the process of product development

Integrate our consumers into the product development process, and throughout it

We will look at consumer needs and look at the "jobs" that our consumers need to be done

2

### Organizational Structure

Marketing team focused on reacting

Marketing team expertise less relevant to modern consumer

Team hampered by daily fire fighting

Started design for a modern Marketing and Product Development organization

Initial design created people dedicated to Product development

We will select the right people to lead Marketing

We will select the right people to focus on Product development

3

### Software Strategy

Software was the domain of IT, business did not touch it directly

Business specific software sourced on an ad-hoc basis

Business & IT jointly went over Software Strategy to full understand where Simplify is taking us, and to have an impact

Non-Simplify software being sourced with a formal RFI process

Joint business/IT decisions on major Software such (i.e. Dynamics vs. Tableau for analytics)



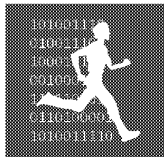


# 1 Our product development model will focus on listening to our customers

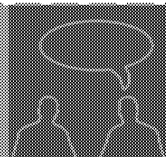
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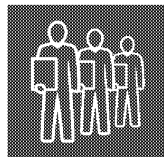
**Creator**  
*We know best*



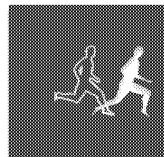
**Technological advancer**  
*"One step ahead"*



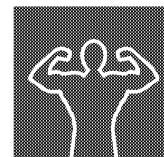
**Solution builder**  
*"We're listening"*



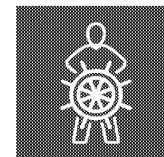
**Expander**  
*Here for your lunch*



**Fast follower**  
*"Ready to react"*



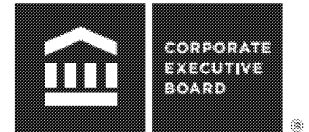
**Sustainer**  
*Stay off my lawn*



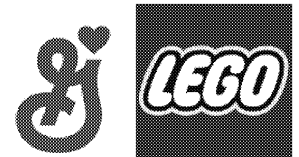
**Leverager**  
*We do it best*

Strategy	One central, internal vision Aim to differentiate from the market	Focused on <b>new solutions</b> for core markets Push technical <b>frontiers</b> where IP can drive advantage	Focused on <b>new solutions</b> for core customers Aim to drive <b>steady growth and profit</b>	Seek to grow and leverage <b>scale</b> Aim to disrupt markets and find <b>new profit pools</b>	Ideas from <b>existing markets and customers</b> Compete and <b>grow share</b> in core markets	Aim to sustain market <b>advantage</b> Aim to <b>protect against disruption</b>	Innovation driven by <b>unique business model</b> Work to <b>leverage strengths</b> to meet customer needs
Engine	Clear focus on core products ( <b>life cycle management</b> ) <b>Big bets</b> driven by central vision	Large, focused investments in R&D <b>Long development cycles</b>	Emphasis on <b>customer insights</b> <b>Strict decision-making processes</b>	Dominance in a <b>transferable capability</b> High <b>risk tolerance</b> and in-market experimentation	Operationally efficient to maximize <b>speed to market</b> <b>Fast decision-making</b>	Stable markets with <b>low pace of change</b> <b>Strong core business</b>	Winning business model creates <b>competitive advantage</b> <b>Strong operational capabilities</b>
Enablers	<b>Closed, secret innovation</b> <b>Top-down</b> governance, distinct cultural norms	<b>Open innovation</b> , advancing frontier of tech/science High value placed on <b>technical talent</b>	Clear functional roles, focused on <b>customer insights</b> Value <b>discipline</b> and drive for results	Open culture seeks <b>ideas from everywhere</b> Seek to empower <b>high-performing self-starters</b>	Greater resources and <b>fewer barriers</b> to commercialization Value <b>functional expertise</b>	Dedicated teams <b>minimize disruption</b> to core business Pursue <b>business development</b> and partnerships	<b>Closed innovation</b> , strict adherence to standard processes Distinct culture and <b>consistent practices</b>

## Inspiration



WHAT THE BEST COMPANIES DO





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### 3 Additional focus on software strategy

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- As a team we have launched a thorough discussion of what are the business goals of our Software; is the path that Simplify is leading us enough, or do we need more?
- We have looked at: Design/configurator, eCommerce, Marketing, and Analytics needs for all products to truly understand where we are today and where we want to go
- Example of software strategy based on business is the “IU Journey”
  - “Journey” will be our premiere mobile application, and value add for our top tier college customers with the first customer Indiana University with “IU Journey”
  - We have mapped our business requirements, based on IU needs, and where we believe there is revenue opportunity
  - RFI currently out to five vendors due by week of 10/23



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### 3 The world of software at Herff Jones today (1/2)

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Category / Software Type	Product Focus	Status Today	Simplify Impact	Is it in Simplify?	Varsity Brands Options	Path Forward
Customer facing / Designer	Rings	<ul style="list-style-type: none"> <li>Basic ring configurator, limited designs</li> <li>Customer can design, but not always buy if Sales partner does not set price</li> <li>20% of customers can't price</li> </ul>	<ul style="list-style-type: none"> <li>Expert-logic is rules engine. Creates knowledge to price, and product order</li> <li>Configurator in-scope, detailed decision to be made (Good in scope, better is maybe, best not in scope)</li> <li>Going with 2D</li> </ul>	<ul style="list-style-type: none"> <li>Basic ring configurator</li> </ul>	<ul style="list-style-type: none"> <li>BSN Uniform designer – Good use for uniform design</li> </ul>	<ul style="list-style-type: none"> <li>Simplify team will go deeper with Varsity Brands</li> <li>Rings in scope</li> </ul>
	Cap & Gown	<ul style="list-style-type: none"> <li>C&amp;G/Accessories, has own website, URL, can send configurator C&amp;G to plant</li> <li>New business comes in this way/ Engineering product.</li> <li>Have ability to set up price behind configurator.</li> </ul>	<ul style="list-style-type: none"> <li>Expert-logic configurator will replace back-end</li> <li>No front-end impact</li> </ul>	<ul style="list-style-type: none"> <li>Not in Simplify for front-end</li> </ul>	<ul style="list-style-type: none"> <li>BSN Uniform designer / TAR</li> <li>Kurt visit in October</li> </ul>	<ul style="list-style-type: none"> <li>Mandy worked with Emily and Kurt on ours vs. theirs</li> <li>Decision of what to use is strategic decision</li> <li>Decision need to be taken at expert level</li> </ul>
	Fine Paper	<ul style="list-style-type: none"> <li>Does not exist (Text Only)</li> </ul>	<ul style="list-style-type: none"> <li>Digital (incl. Photo) will be fixed</li> <li>Fine Paper designer tool for Traditional announcement</li> </ul>	<ul style="list-style-type: none"> <li>Digital in Simplify</li> <li>Rest not in Simplify</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>	<ul style="list-style-type: none"> <li>Digital will be as good as competitors</li> <li>Traditional no change</li> </ul>
	Yearbook	<ul style="list-style-type: none"> <li>eDesign - #2</li> <li>OAC – Basic, clunky functionality</li> </ul>	<ul style="list-style-type: none"> <li>eDesign – as good as #1 / OAC by next fall, new UX, design</li> <li>Note: Update outside of Simplify</li> </ul>	<ul style="list-style-type: none"> <li>Not in Simplify</li> <li>OAC needs to talk to Simplify</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>	<ul style="list-style-type: none"> <li>Budget dependent</li> </ul>



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### 3 The world of software at Herff Jones today (1/2)

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Category	Software Type	Product Focus	Status Today	Simplify Impact	Varsity Brands Options	Path Forward
Customer facing	eCommerce solution / Storefront	College	• Basic outdated ordering process	• Going to Intershop	• My Team Shop	• Simplify
		Scholastic	• Basic outdated ordering process	• Going to Intershop	• My Team Shop	• Simplify
		Yearbook	• Basic outdated ordering process	• Going to Intershop	• My Team Shop	• Simplify
Internal	Marketing	Marketing mass customization engine	<ul style="list-style-type: none"> <li>• Engine within eDesign (Yearbook) for Schools to send, used by Schools</li> <li>• SalesAssist for emails.</li> <li>• Emarsys – Emails only, not visuals.</li> <li>• If we had databases we could start customization</li> <li>• 2 or 3 out of 10</li> </ul>	• Data “from Simplify”	• Team Art Locker	• TBD
		CRM – B2B	<ul style="list-style-type: none"> <li>• Yearbook – Salesforce (direct to Advisor)</li> <li>• Scholastic/College – MDR/Emarsys/Excel spreadsheets</li> <li>• Scholastic – B2B level</li> </ul>	• Microsoft Dynamics, still needs outside tools to manage marketing campaigns	<ul style="list-style-type: none"> <li>• My Team Shop</li> <li>• Salesforce</li> </ul>	• Dynamics + Outside marketing vendor
		CRM – B2C	<ul style="list-style-type: none"> <li>• Yearbook – Use Salesforce marketing cloud</li> <li>• Scholastic/College - Emarsys</li> </ul>	• Microsoft Dynamics also is doing B2C data engine	• Salesforce	• Dynamics + Outside marketing vendor
		Data Collection / Storage	• Scholastic – Contact cards, get scanned	• Intershop / Dynamics		• Simplify
	Analytics	Data Analysis	• Moving to PowerBI	• PowerBI	• Tableau	